



1776 K STREET NW  
WASHINGTON, DC 20006  
PHONE 202.719.7000  
FAX 202.719.7049

7925 JONES BRANCH DRIVE  
McLEAN, VA 22102  
PHONE 703.905.2800  
FAX 703.905.2820

www.wileyrein.com

January 29, 2015

**BY HAND DELIVERY**

Mr. Jeff S. Jordan  
Assistant General Counsel  
Complaints Examination & Legal Administration  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

**Re: MUR 6892 (The Freedom Project)**

Dear Mr. Jordan:

This office represents The Freedom Project and Lisa Lisker, as Treasurer, in the above-captioned matter. An executed Statement of Designation of Counsel form is attached as Exhibit 1.

This letter responds to your October 30, 2014 letter, which our client did not receive until January 15, 2015. The letter to our client forwarded a complaint filed against Walker4NC (FEC reports identify the Committee as Walker 4 NC) by Casey M. Mann, Executive Director of the North Carolina Democratic Party (Complainant).

The complaint made three allegations, one of which mentions The Freedom Project.<sup>1</sup> Specifically, the complaint alleges that Walker 4 NC received contributions in excess of the \$5,000 limit from The Freedom Project, the Next Century Fund, and Majority Committee PAC. The Complainant states that Walker 4 NC reported that the three named political committees, including the Freedom Project, contributed \$5,000 twice as reflected on the Walker 4 NC October 15, 2014 Quarterly report (misidentified in the complaint as the October 7, 2014 FEC Report). The Complainant alleges that these contributions were excessive because the Walker 4 NC Committee had not reported any debt and thus could not accept a primary debt contribution.

<sup>1</sup> The first allegation is that the Walker 4 NC did not timely and fully report the use of a campaign bus as an in-kind contribution. The second allegation is that Walker 4 NC did not report a Cancun Vacation Raffle as an in-kind contribution.

RECEIVED

2015 JAN 29 PM 2:14

FEC MAIL CENTER

OFFICE OF GENERAL  
COUNSEL

2015 JAN 29 PM 4:42

RECEIVED  
FEDERAL ELECTION  
COMMISSION

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Mr. Jeff S. Jordan, Esq.  
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## **I. FACTUAL BACKGROUND**

### **A. The Freedom Project Confirmed that Walker 4 NC had a Primary Debt Prior to Making the Primary Debt Contribution**

On August 4, 2014, Scott Luginbill of the Walker 4 NC campaign solicited a contribution from The Freedom Project. (Electronic message from Scott Luginbill to Grant Saunders, August 4, 2014, attached Exhibit 2) That same day, The Freedom Project sought confirmation of the debt the Walker 4 NC campaign was carrying. Exhibit 2. On August 7, Mr. Luginbill responded that the campaign had \$12,000 in primary related debt. Id. Six days later, on August 13, 2014, the Freedom Project cut a check to Walker 4 NC in the amount of \$5,000 and designated the contribution for primary debt in accordance with its understanding that Walker for NC was carrying a primary debt. (8/13/14 check attached, Exhibit 3<sup>2</sup>) Later, on September 15, 2014, The Freedom Project made a contribution towards the General Election campaign of Walker 4 Congress. (9/15/14 check attached, Exhibit 3)

## **II. THERE IS NO REASON TO BELIEVE THE FREEDOM PROJECT VIOLATED THE ACT**

The Freedom Project made its contribution to Walker 4 NC designated to Primary Election Debt in accordance with 11 C.F.R. § 110.2(b)(3) which states,

(3)(i) A contribution designated in writing for a particular election, but made after that election, shall be made only to the extent that the contribution does not exceed net debts outstanding from such election. To the extent that such contribution exceeds net debts outstanding, the candidate or the candidate's authorized political committee shall return or deposit the contribution within ten days from the date of the treasurer's receipt of the contribution as provided by 11 CFR 103.3(a), and if deposited, then within sixty

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<sup>2</sup> The Freedom Project report mistakenly reports the contribution as Primary runoff debt, whereas the check was designated for 2014 Primary Debt Retirement. Walker 4 NC reported the contribution as designated for Primary Debt Retirement.

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days from the date of the treasurer's receipt the treasurer shall take the following action, as appropriate:

(A) Refund the contribution using a committee check or draft; or

(B) Obtain a written redesignation by the contributor for another election in accordance with 11 CFR 110.2(b)(5).

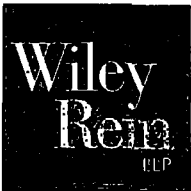
...

The treasurer of the candidate's authorized political committee shall calculate net debts outstanding in accordance with 11 CFR 110.1(b)(3)(ii). The amount of the net debts outstanding shall be adjusted as additional funds are received and expenditures are made. The candidate and his or her authorized political committee(s) may accept contributions made after the date of the election if such contributions are designated in writing by the contributor for that election and if such contributions do not exceed the adjusted amount of net debts outstanding on the date the contribution is received.

The Freedom Project took affirmative steps to confirm the amount of the debt at the time it made the primary debt retirement contribution.<sup>3</sup> Should the FEC find that Walker 4 NC did not have a primary debt at the time of the August 13, 2014 contribution, The Freedom Project will expect a refund of its properly made contribution.

For the above reasons, The Freedom Project requests that the Commission find no reason to believe that The Freedom Project violated the Act.

<sup>3</sup> While the complaint alleges that no debt was ever reported, Walker 4 NC has explained on the public record that all of the debt as well as all of the contributions necessary to retire the debt occurred in the same reporting period which would explain why it did not show a net debt outstanding. See Miscellaneous Text dated 12/17/14, Image# 14983683340.



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Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Jan Witold Baran", written over a horizontal line.

Jan Witold Baran  
Carol A. Laham

17044405814

# EXHIBIT 1

170444005815



FEDERAL ELECTION COMMISSION  
999 E Street, NW  
Washington, DC 20463

STATEMENT OF DESIGNATION OF COUNSEL

Provide one form for each Respondent/Witness

FAX 202-219-3923

MUR # 6892

Name of Counsel: Jan Witold Baran and Carol A. Laham

Firm: Wiley Rein LLP

Address: 1776 K St., NW

Washington, DC 20006

Telephone: (202) 719-7330, (202) 719-7301 Fax: (202) 719-7049

E-mail: jbaran@wileyrein.com, claham@wileyrein.com

The above-named individual and/or firm is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

1/20/15 Date *Lisa Lisker* Signature (Respondent/Agent) Treasurer Title

RESPONDENT: The Freedom Project and Lisa Lisker as Treasurer  
(Committee Name/ Company Name/Individual Named in Notification Letter)

Mailing Address: 320 1st Street, SE  
(Please Print)

Washington, DC 20003

Telephone (H): (W):

E-mail:

This form relates to a Federal Election Commission matter that is subject to the confidentiality provisions of 52 U.S.C. § 30109(a)(12)(A). This section prohibits making public any notification or investigation conducted by the Federal Election Commission without the express written consent of the person under investigation.

## EXHIBIT 2

17044405817

17044018-1  
From: Scott Luginbill [mailto:scott@walker4nc.com]  
Sent: Thursday, August 07, 2014 12:02 PM  
To: Grant Saunders  
Subject: Re: Speaker Meeting Tomorrow

Thanks. We are carrying ~12K in debt.

We are also working with Senator Burr on a date in September, probably the 16th or 17th, for an event. Would the Speaker be willing to co-headline?

On Thu, Aug 7, 2014 at 11:12 AM, Grant Saunders <G.Saunders@teamboehner.com> wrote:  
Wanted to check back in on this..

From: Grant Saunders  
Sent: Monday, August 04, 2014 9:18 PM  
To: 'Scott Luginbill'  
Subject: RE: Speaker Meeting Tomorrow

Sure let me look into it. How much debt are you all carrying?

From: Scott Luginbill [mailto:scott@walker4nc.com]  
Sent: Monday, August 04, 2014 12:14 PM  
To: Grant Saunders  
Subject: Re: Speaker Meeting Tomorrow

Wanted to inquire about two things, and forgive me if I am being too direct:

- 1) After the runoff, our coffers are pretty bare - in fact the campaign is carrying a bit of debt. Would the Speaker consider contributing to the campaign and helping Mark post a strong number for the quarter?
- 2) We will be back in September to raise money and continue building relationships. Sen. Burr has graciously offered to help with an event as a headliner. Would the Speaker consider joining his good friend by co-headlining? We are flexible on dates.

Thanks.



## EXHIBIT 3

170444005819

THE FREEDOM PROJECT  
320 FIRST STREET SE  
WASHINGTON, DC 20003

CHAIN BRIDGE BANK, N.A.  
MCLEAN, VIRGINIA 22101  
68-947-560

08/13/2014

PAY TO THE  
ORDER OF

Walker 4 NC

\$ \*\*5,000.00

Five thousand and 00/100\*\*\*\*\*

DOLLARS

Walker 4 NC  
2941 Battleground Ave  
Box 38334  
Greensboro, NC 27438

*K.W.*  
*Chad Franklin*  
AUTHORIZED SIGNATURE

MEMO

2014 Primary Debt Retirement

17044406820  
THE FREEDOM PROJECT  
08/13/2014

Walker 4 NC

1398

Date	Type	Reference	Original Amount	Balance Due	Payment
08/13/2014	Bill	2014 Primary Debt Ret	5,000.00	5,000.00	5,000.00
		Check Amount			5,000.00

CBB- OPERATIONS 2014 Primary Debt Retirement

5,000.00

THE FREEDOM PROJECT

Walker 4 NC

1398

Date	Type	Reference	Original Amount	Balance Due	Payment
08/13/2014	Bill	2014 Primary Debt Ret	5,000.00	5,000.00	5,000.00
		Check Amount			5,000.00

CBB- OPERATIONS 2014 Primary Debt Retirement

5,000.00

## THE FREEDOM PROJECT

320 FIRST STREET SE  
WASHINGTON, DC 20003

CHAIN BRIDGE BANK, N.A.  
MCLEAN, VIRGINIA 22101  
68-947-560

09/15/2014

PAY TO THE  
ORDER OF...

Walker 4 NC

**\$ \*\*5,000.00**

Five thousand and 00/100

**DOLLAR**

Walker 4 NC  
2941 Battleground Ave  
Box 38334  
Greensboro, NC 27438

K. W.   
 Lew Friedman   
 AUTHORIZED SIGNATURE

**MEMO**

## General 2014

**THE FREEDOM PROJECT**

09/15/2014

## Walker 4 NC

1438

**Date**  
**09/15/2014**

**Type  
Bill**

**Reference**  
**General 2014**

**Original Amount**  
**5,000.00**

**Balance Due**  
**5,000.00**

<b>Payment</b>
<b>5,000.00</b>
<b>5,000.00</b>

### Check Amount

**CBB- OPERATIONS      General 2014**

**5,000.00**

## THE FREEDOM PROJECT

039/19201A

Walker 4 NC

1431

**Date**  
**09/15/2014**

Type  
Bill

**Reference**  
**General 2014**

**Original Amount**  
**5,000.00**

**Balance Due**  
**5,000.00**

<b>Payment</b>	
5,000.00	
5,000.00	

Check Amount

**CBB- OPERATIONS**      General 2014

**5,000.00**